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Electronic Filing

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St., SW, Room TWB-204  
Washington, DC 20554

Re: FCC Seeks Comment On AT&T Request to Contribute to Universal Service Based on Projected Revenues, CC Docket No. 96-45, DA No. 02-376

Federal-State Joint Board on Universal Service, CC Docket No. 96-45; 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, CC Docket 98-171; Telecommunications Services for Individuals with Hearing Speech Disabilities and the Americans with Disabilities Act of 1990, CC Docket No. 90-571; Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, CC Docket No. 92-237, NSD File No. L-00-72; Number Resource Optimization, CC Docket No. 99-200; Telephone Number Portability, CC Docket No. 95-116; and Truth-in-Billing and Billing Format, CC Docket No. 98-170

Dear Ms. Dortch:

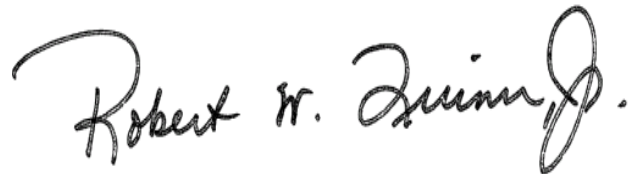
On Tuesday May 7, 2002, Joel Lubin and I met with Dan Gonzalez, Legal Adviser to Commissioner Martin, to discuss issues related to AT&T's request to, if necessary, modify or waive the rule that requires carriers to complete the Telecommunications Reporting Worksheet using revenue figures that are lagged by six months and instead utilize a projection of revenues for assessments made beginning July 1, 2002. During the course of that meeting, we stressed the need for the Commission to grant AT&T's request to, on an interim basis, contribute to universal service based on projected revenues as a first step towards reforming the universal service assessment and collection mechanism. We highlighted the fact that the current assessment

mechanism (which assesses AT&T, and consequently AT&T's customers, based on six-month old revenue data) results in AT&T's customers bearing a disproportionately higher share of the universal service contribution in the long distance marketplace. That fact is reflected in the current AT&T collection rate of 11.5% versus other carriers in the marketplace whose collection rates are significantly lower due solely to the fact that their interstate revenues are increasing. We reiterated that the current assessment mechanism, which bases assessment on (six-month old) interstate revenues, is irretrievably broken. AT&T's waiver would represent a first step at addressing the current inequitable mechanism, but that it should be only a first step.

We stressed the need for the Commission to also permanently fix the universal service contribution mechanism by adopting a per connection assessment methodology consistent with AT&T's and other carrier's comments as soon as possible for implementation on January 1, 2003. The attached timeline was distributed and discussed during the meeting.

The positions expressed by AT&T were consistent with those contained in the Comments and ex parte filings previously made in the aforementioned dockets. One copy of this Notice is being submitted for each of the referenced proceedings in accordance with the Commission's rules.

Very truly yours,

A handwritten signature in black ink, reading "Robert H. Quinn, Jr." The signature is written in a cursive, flowing style with a large initial 'R' and a distinct 'Jr.' at the end.

Enclosure  
cc: Dan Gonzales